

# MULTISPORT CENTRE OF EXCELLENCE FOUNDATION

Notes to Financial Statements (continued)

Year ended September 30, 2009

### 3. Short-term investments and marketable securities:

	2009	2008
Term deposits	\$ -	\$ 653,793
Marketable securities	19,104	10,800
	<b>\$ 19,104</b>	<b>\$ 664,593</b>

### 4. Capital assets:

Building construction in process relates to a multi-sport centre. No amortization has been charged in the year as the facility was not complete.

### 5. Notes payable to related parties:

#### (a) Elysium Foundation:

A note payable in the amount of \$17,124,424 plus accrued interest of \$4,541,521 is due to Elysium Foundation, a party related by virtue of common control and board membership. The note was transferred via deed of gift from New Dimensions Foundation to Elysium Foundation on May 15, 2009.

The note is interest bearing at 20% per annum and is secured by a first charge mortgage on the land and buildings of the Foundation and a general security agreement.

The note is repayable on demand, with 90 days notice.

#### (b) Note payable to director:

At September 30, 2009, the Foundation had an outstanding note to a director of the Foundation bearing interest at 20% per annum, with a principal of \$1,635,000 in addition to accrued interest of \$215,572.

The note is unsecured and is repayable on demand, with 90-days notice.

### 6. Due to related party:

At September 30, 2009, the Foundation had an outstanding amount payable to its sole member in the amount of \$11,000.

### 7. Financial instruments:

The carrying amounts of accounts receivable, accounts payable and notes payable are recorded at amortized cost which approximates their fair value.

# MULTISPORT CENTRE OF EXCELLENCE FOUNDATION

Notes to Financial Statements (continued)

Year ended September 30, 2010

**4. Short-term investments and marketable securities:**

	2010	2009
Marketable securities	\$ 20,928	\$ 19,104

**5. Capital assets:**

- (a) Building construction in process relates to an Athlete Development Facility. No amortization has been charged in the year as the facility was not complete.
- (b) The turf field facility has a historical cost of \$1,118,422 (including the asset retirement obligation (note 6)) and accumulated depreciation of \$178,842 (2009 - nil).

**6. Asset retirement obligation:**

The Foundation has recognized an asset retirement obligation for future activities and costs related to restoration of a turf field facility leased from City of Burnaby. Depreciation of the asset retirement obligation and accretion expense during the year ended September 30, 2010 were \$89,421 (2009 - \$89,421) and \$21,087 (2009 - \$20,179), respectively. As of September 30, 2010, the total undiscounted amount of estimated future cash flows required to settle the obligation was approximately \$1,100,000 (2009 - \$1,100,000), of which \$489,688 (2009 - \$468,601) has been recorded as a liability at year end.

**7. Notes payable to related parties:**

(a) Elysium Foundation:

A note payable in the amount of \$19,799,401 plus accrued interest of \$8,436,436 is due to Elysium Foundation, a party related by virtue of common control and board membership.

The note is interest bearing at 20% per annum and is secured by a first charge mortgage on the land and buildings of the Foundation and a general security agreement.

The note is repayable on demand, with 90 days notice.

(b) Note payable to director:

At September 30, 2010, the Foundation had an outstanding note to a director of the Foundation bearing interest at 20% per annum, with a principal of \$1,285,000 in addition to accrued interest of \$452,748.

The note is unsecured and is repayable on demand, with 90-days notice.